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**IN THE DISTRICT COURT OF THE THIRD JUDICIAL DISTRICT
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF CANYON**

STATE OF IDAHO, DEPARTMENT)	
OF FINANCE, SECURITIES BUREAU,)	
)	Civil No. CV 03-1361
Plaintiff,)	
)	JUDGMENT AND PERMANENT
vs.)	INJUNCTION
)	
DELBERT W. GRAY, an individual,)	DELBERT W. GRAY
And HERITAGE FINANCIAL GROUP, INC.,)	
an Idaho corporation,)	
)	
Defendants.)	
_____)	

It appearing to the Court that Defendant Delbert W. Gray in the Stipulation for Judgment and Permanent Injunction filed with the Court, has admitted that the Verified Complaint states a cause of action for injunctive relief and an order of restitution under the Idaho Securities Act, and further that Defendant Delbert W. Gray admits that he violated the Idaho Securities Act as set forth in the Stipulation for Judgment and Permanent Injunction, and has agreed and consented to the entry of judgment granting a permanent injunction and order of restitution against him, and

has waived the necessity of findings of fact and conclusions of law with respect thereto, and the Court being fully advised in the premises:

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. Defendant Delbert W. Gray is permanently enjoined from engaging in any acts, practices or omissions which would constitute violations of the Idaho Securities Act, and in particular, is permanently enjoined from:
 - A. Selling or offering for sale nonexempt securities in any form in the State of Idaho until such time as such securities have been registered with the Idaho Department of Finance, in accordance with Title 30, Chapter 14, Idaho Code;
 - B. Transacting securities business in the State of Idaho until such time as Defendant Delbert W. Gray has become registered as a broker-dealer, or salesman for a broker-dealer or issuer, with the Idaho Department of Finance, in accordance with Title 30, Chapter 14, Idaho Code;
 - C. While engaged in or in connection with the offer, sale, or purchase of any security:
 - (1) Employing any device, scheme or artifice to defraud,
 - (2) Making any untrue statement of material fact, or omitting to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, and
 - (3) Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.
 - D. Aiding, abetting, counseling, inducing or causing any other person to engage in any of the types of conduct described in paragraphs A, B, and C above.

2. Defendant Delbert W. Gray is prohibited from claiming the availability of, using, or offering to sell securities under, any exemptions under the Idaho Securities Act without receiving the prior written consent of the Director.
3. Defendant Delbert W. Gray is hereby ordered to restore to each person in interest any consideration that may have been acquired or transferred in connection with his violations of the Idaho Securities Act, as set forth in the Verified Complaint on file herein. Defendant Delbert W. Gray shall satisfy this restitution obligation by paying restitution per the sentencing order of the United States District Court for the District of Idaho in criminal case number 03-152-S-EJL.
4. This Judgment and Permanent Injunction shall serve as a final resolution of all issues presented in Plaintiff's Verified Complaint as to Defendant Delbert W. Gray.

Dated this 1 day of Oct, 2003.

RENAE HOFF

District Judge

State of Idaho }
County of Canyon } ss.

I hereby certify that the foregoing instrument is a true and correct copy of the original as the same appears in this office.

DATED

10-2-03
G. NOEL HALES, Clerk of the District Court

By

Garcia
Deputy

